

JUNE 8, 1981

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON JUNE 8, 1981, AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411 EMPIRE BUILDING, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

ACCEPTANCE OF BOND FOR ML 21447 *g13*

Homestake Mining Company, designated operator of Continental Mining and Minerals on the above numbered lease, has submitted surety bond #8086-79-69, with Federal Insurance Company, in the amount of \$5,000, to assure compliance with terms and conditions of the State lease with regard to proposed exploration activity.

The bond appears in order and upon recommendation of Mr. Blake, the Director accepted this bond for ML 21447.

MINERAL LEASE ASSIGNMENTS

TOTAL ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES *g13*

Upon recommendation of Mr. Prince, the Director approved the assignment of the assignment of the Oil, Gas and Hydrocarbon lease listed below to Enserch Exploration, Inc., P.O. Box 2649, Dallas, TX 75201 by H. Calvin Goodman, who reserves 5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: H. Calvin Goodman

ML 38157....T26S, R21E, Sec. 29: W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, Sec 33: All, 1,120.00 Grand

Upon recommendation of Mr. Prince, the Director approved the assignment of the assignment of the Oil, Gas and Hydrocarbon lease listed below to Love Oil Co., Inc., 307 Market Center, 1624 Market St., Denver, CO 80202 by Robert W. Adkins, who reserved 2 $\frac{1}{2}$ % overriding royalty. The State assumes responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Robert W. Adkins

ML 37739....T27S, R8E, Sec 2: Lots 1-4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$, Sec 32: All; 1,282.00 Wayne
ML 37557....T27S, R7E, Sec 32: All, 640.00 Wayne

INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES *g13*

Upon recommendation of Mr. Prince, the Director approved the assignment of 50% interest in the Oil, Gas and Hydrocarbon leases listed below to Placid Oil Company, 1600 First National Bank Bldg., Dallas, TX 75202 by Forest Oil Corporation. No override.

LEASE OWNERSHIP: Forest Oil Corporation.

ML 36705....T18S, R5W, Sec 9: W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, 240.00 Millard
ML 36706....T18S, R5W, Sec 4: W $\frac{1}{2}$ SW $\frac{1}{4}$, 80.00 Millard

Upon recommendation of Mr. Prince, the Director approved the assignment of 12.5% interest in the Oil, Gas and Hydrocarbon lease listed below to Carbonit Exploration Inc., 23 Iverness Way East, Englewood, CO 80222 by Southland Royalty Company. No override.

LEASE OWNERSHIP: Southland Royalty Company

ML 38559.....T31S, R14E, Sec 2: All, 883.24 Garfield

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INTEREST ASSIGNMENTS - OIL, GAS AND HYDROCARBON LEASES CONTINUED

Upon recommendation of Mr. Prince, the Director approved the assignment of 25% interest in the Oil, Gas and Hydrocarbon leases listed below to Ingram Exploration Company, 4100 One Shell Square, New Orleans, LA 70139 by May Petroleum, Inc. No override, but subject to 7% previously reserved overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: PRM Exploration Co. - 25%; May Petroleum, Inc. - 75%

ML 35850....T18S, R14E, Sec 6: Lot 4, 36.40 acres Emery

Upon recommendation of Mr. Prince, the Director approved the assignment of 21% interest in the Oil, Gas and Hydrocarbon leases listed below to Depco, Inc., 1000 Petroleum Bldg., Denver, CO 80202 by Kenneth Luff, Robert L. Nance and Crux Limited, who reserved 5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Dome Oil, Inc - 25.2%; Filon Exploration Corp. - 20%
Bow Valley Petroleum, Inc. - 2.8%; The Louisiana Land & Exploration Co.- 14%
North Central Oil Corp. - 17%; Kenneth Luff & Robert L. Nance - 7%
Crux Limited - 14%

ML 34054....T9N, R7W, Sec 4: Lots 3,4,S $\frac{1}{2}$ NW $\frac{1}{4}$,S $\frac{1}{2}$, 480.00 Box Elder
ML 34056....T10N, R8W, Sec 2 & 36: All, 1354.38 Box Elder

Upon recommendation of Mr. Prince, the Director approved the assignment of 17.5% interest in the Oil, Gas and Hydrocarbon leases listed below to Depco, Inc., 1000 Petroleum Bldg., Denver, CO 80202 by Kenneth Luff, Robert L. Nance and Crux Limited, who reserved 5% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Dome Oil, Inc - 25%; Filon Exploration Corp. - 20%
Bow Valley Petroleum, Inc. - 2.8%; The Louisiana Land & Exploration Co.- 14%
North Central Oil Corp. - 17%; Kenneth Luff & Robert L. Nance - 3.5%
Crux Limited - 14%; Macquest Petroleum Inc. - 3.5%

ML 34055....T9N, R6W, Sec 32: W $\frac{1}{2}$, SE $\frac{1}{4}$, 480.00 Box Elder
Bed of the Great Salt Lake:
ML 34212....T8N, R7W, Sec 16: NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$,SW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 21: NE $\frac{1}{4}$,
Sec 22: NW $\frac{1}{4}$, Secs 23, 24: All, 1880.00 Box Elder
ML 34213....T8N, R7W, Secs 1,2,10: All, Sec 9: E $\frac{1}{2}$, 2056.45 Box Elder
ML 34214....T8N, R7W, Secs 11,12,13,14: All, 2560.00 Box Elder
ML 34215....T8N, R6W, Sec 16: W $\frac{1}{2}$ W $\frac{1}{2}$, Sec 21: W $\frac{1}{2}$, Sec 28: W $\frac{1}{2}$
Sec 33: W $\frac{1}{2}$, 734.31 Box Elder
ML 34216....T8N, R6W, Sec 5: S $\frac{1}{2}$ SE $\frac{1}{4}$,SW $\frac{1}{4}$, Sec 6: S $\frac{1}{2}$,S $\frac{1}{2}$ N $\frac{1}{2}$,N $\frac{1}{2}$ NW $\frac{1}{4}$
Secs 7, 8: All, 1820.05 Box Elder
ML 34217....T8N, R6W, Secs 17,18,19,20: All, 2560.00 Box Elder
ML 34240....T8N, R7W, Sec 3: E $\frac{1}{2}$ SE $\frac{1}{4}$, 39.75 Box Elder
ML 34250....T8N, R6W, Sec 5: SW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec 9: SW $\frac{1}{4}$ SW $\frac{1}{4}$, 9.66 Box Elder
ML 34372....T7N, R6W, Sec 14: S $\frac{1}{2}$ NW $\frac{1}{4}$,SW $\frac{1}{4}$,SW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 15, 22: All,
Sec 23: W $\frac{1}{2}$,W $\frac{1}{2}$ NE $\frac{1}{4}$, Sec 27: All, 2371.51 Box Elder

OVERRIDING ROYALTY ASSIGNMENT - OIL, GAS AND HYDROCARBON LEASE

Upon recommendation of Mr. Prince, the Director approved the assignment of a 2.5% overriding royalty in the Oil, Gas and Hydrocarbon lease listed below to J. Maurice Cox (2% overriding royalty), Suite 2060, Colorado State Bank Bldg., Denver, CO 80202 and O. J. Hubbard, (.5% overriding royalty), P.O. Box 512, Midland, TX 79702 by Solar Petroleum, Inc. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: Solar Petroleum, Inc.

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INTEREST ASSIGNMENT - COAL LEASE

Upon recommendation of Mr. Prince, the Director approved the assignment of 25% interest in the Coal lease listed below to Sonar Energy Corporation, 1508 Cherry Land, Rte # 3, Oklahoma City, OK 73127 by Robert E. Covington.

LEASE OWNERSHIP: Robert E. Covington

ML 34149....Metes & Bounds in T34S, R2W, Sec 35 & Metes & Bounds in
T35S, R2W, Secs 1,2,3,4,5,6,7,8, 1,155.32 Garfield
ML 38890....T35S, R2W, Sec 4: NW $\frac{1}{4}$, 160.00 Garfield

AMENDMENT OF ASSIGNMENTS APPROVED ON THE DIRECTOR'S MINUTES

September 22, 1980, March 16, 1981, and April 13, 1981

On the Director's Minutes of April 13, 1981, May Petroleum Company submitted an assignment of a 25% interest in ML 31218 to Ingram Exploration Company. Their assignment read that their interest in the lease was a 25% interest and that they were assigning a 25% interest, but this could be interpreted to mean a 25% interest of their 25% interest. They have advised us that it was their intention to transfer their total 25% interest.

On September 22, 1980, May Petroleum submitted an assignment of the same lease assigning a 25% interest to PRM Exploration Company. This assignment had a notation of a 7 $\frac{1}{2}$ % previous overriding royalty. This should have been 6%.

On March 16, 1981, May Petroleum submitted an assignment of a 25% interest in ML 35850 to PRM Exploration Company. This assignment had a notation that there was a previous overriding royalty outstanding on this lease in the amount of 5%, and May Petroleum has now advised us that this should read 7%.

Upon recommendation of Mr. Prince, the Director approved these corrections of the Director's Minutes of the above-listed dates.

REQUEST FOR EXTENSION OF DRILLING REQUIREMENT UNDER GEOTHERMAL STEAM LEASE
ML 30918

AND NOTICE OF COMPLIANCE UNDER GEOTHERMAL STEAM LEASE
ML 30919

Geothermal Kinetics, through its partner MCR Geothermal Corporation, has notified this office that it has complied with the drilling requirements of ML 30919. They have also requested an extension of the drilling requirements under ML 30918. These leases were issued July 15, 1974, for a term of ten years. Section 10 of these leases provides as follows:

10. Development of Leasehold Estate: Lessee agrees to commence drilling operations on a well at an appropriate location within the leasehold estate within five (5) years from the date hereof, and to prosecute the drilling with reasonable diligence until products are discovered in sufficient commercial potential, or to a depth below which further drilling would be unprofitable in the written opinion of the Lessee issued to the Lessor. Such five (5) year period may be extended by the Lessor for a period not to exceed five (5) years upon written application by Lessee showing good cause therefore not more than ninety (90) days nor less than thirty (30) days prior to expiration of the initial five (5) year period. At any time within said five (5) year period, Lessee may surrender its rights under this lease and agreement. Lessee also shall have the right to drill such well or wells on the leasehold estate at such location or locations deemed desirable by Lessee upon thirty (30) days notice in writing, which location or locations shall not unreasonably interfere with rights of holders of lease or leases and special use permits from the State of Utah. No well shall be drilled within 100 feet of the boundary line of the leasehold nor within 100 feet of any building on the surface of the leasehold without written permission of the Lessor.

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REQUEST FOR EXTENSION OF DRILLING REQUIREMENT UNDER GEOTHERMAL STEAM LEASE
ML 30918

AND NOTICE OF COMPLIANCE UNDER GEOTHERMAL STEAM LEASE
ML 30919

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MCR Geothermal Corporation drilled and completed the State #1-22, Section 22, 34S-16W on State Lease ML 30919. This well was drilled in February 1976 to a depth of 4986' and discovered 140° water, unsatisfactory for power generation, but sufficiently hot for secondary geothermal usage. DeArman #1-18, Section 18, 34S-16W to a depth of 12,295' in August 1976. This well also discovered 235° water. This well is within one mile of lands in ML 30918.

Both wells are currently shut-in pending completion of feasibility studies of several possible uses of secondary geothermal projects. These studies are still under way.

It is the Staff's opinion that Geothermal Kinetics has been diligent in its exploration efforts on the lands covered by these leases; therefore, upon recommendation of Mr. Prince, the Director approved the drilling requirement of ML 30918 be extended for five years and that Geothermal Kinetics be advised that the drilling of their State #1-2 well satisfied the drilling requirements of ML 30919.

DIVISION ORDER FOR TENNECO OIL COMPANY WELL STATE 16-4, ML 29608

Tenneco Oil Company has submitted a division order, No. 97973 to cover their production from their well number State 16-4 in All of Sec. 16, T16S, R26E, SLM., ML 29608.

This division order correctly sets out the interest of the State of Utah. Upon recommendation of Mr. Prince, the Director approved this Division Order.

STATEWIDE BOND F-L ENERGY CORPORATION

F.L. Energy Corporation has submitted a Statewide bond of lessee to cover their operations on State leases. This bond is in the amount of \$25,000, the surety is the Aetna Casualty and Surety Company, bond No. 19 S 34313. This bond is in order and upon recommendation of Mr. Prince, the Director accepted this bond to cover the operations for F-L Energy Corporation.

RELINQUISHMENT OF METALLIFEROUS MINERALS LEASES

Raymond Chorney, lessee under the metalliferous minerals leases listed below, has filed relinquishments of these leases. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by simultaneous bid.

<u>Lease No.</u>	<u>Description</u>	
ML 33059	<u>T23S, R16E, SLM.</u> Sec. 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$	Emery & Grand 604.63 acres
ML 33148	<u>T22S, R18E, SLM.</u> Sec. 4: Lot 8 Sec. 9: Lot 1	Grand 50.00 acres
ML 33155	<u>T23S, R13E, SLM.</u> Sec. 32: All	Emery 639.00 acres

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RELINQUISHMENT OF METALLIFEROUS MINERALS LEASES CONTINUED

Raymond Chorney, lessee under the metalliferous minerals leases listed below, has filed relinquishment of these leases. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by simultaneous bid.

<u>Lease No.</u>	<u>Description</u>	
ML 33156	T19S, R23E, SLM. Sec. 25: SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 26: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32: All	Grand 800.00 acres
ML 33157	T19S, R13E, SLM. Sec. 32: All	Emery 640.00 acres
ML 33158	T19S, R12E, SLM. Sec. 17: E $\frac{1}{2}$ Sec. 19: Lots 2, 3, 5, 6, 7, 8, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$	Emery 774.36 acres
ML 33159	T19S, R11E, SLM. Sec. 14: NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$	Emery 200.00 acres
ML 33160	T18S, R24E, SLM. Sec. 16: All Sec. 32: All	Grand 1280.00 acres

EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES

The Oil, Gas, and Hydrocarbon Leases listed below have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases. The lands formerly in these leases, with the exception of the highway rights of way, are to be offered for lease by simultaneous bid. This division will have to work out a procedure with the Department of Transportation for leasing the highway rights of way.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>Expiration Date</u>
SLA 107	Gulf Oil Corporation	T5S, R6W, USM. Highway Right of Way in Sec's. 11, 12, 14, 15, & 22 33.62 acres	Nov. 30, 1980 Duchesne
SLA 114	Phillips Petroleum Co.	T12S, R4-5E, SLM. Highway Right of Way in the above township	May 31, 1981 27.00 acres Sanpete
SLA 115	Phillips Petroleum Co.	T13S, R4-5E, SLM. Highway Right of Way in the above townships	May 31, 1981 198.00 acres Sanpete
SLA 116	Phillips Petroleum Co.	T14S, R4E, SLM. Highway Right of Way in the above township	May 31, 1981 183.00 acres Sanpete
SLA 118	Phillips Petroleum Co.	T13S, R2-3E, SLM. Highway Right of Way in the above townships	May 31, 1981 71.00 acres Sanpete
SLA 119	Phillips Petroleum Co.	T14S, R2-3E, SLM. Highway Right of Way in the above townships	May 31, 1981 154.00 acres Sanpete

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EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES CONTINUED

The Oil, Gas, and Hydrocarbon Leases listed below have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases. The lands formerly in these leases, with the exception of the highway rights of way, are to be offered for lease by simultaneous bid. This division will have to work out a procedure with the Department of Transportation for leasing the highway rights of way.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>Expiration Date</u>
SLA 123	Phillips Petroleum Co.	<u>T17S, R3E, SLM.</u> Highway Right of Way in the above Township	May 31, 1981 91.00 acres Sanpete
SLA 124	Phillips Petroleum Co.	<u>T18S, R2-3E, SLM.</u> Highway Right of Way in the above townships	May 31, 1981 157.00 acres Sanpete
SLA 125	Phillips Petroleum Co.	<u>T19S, R2E, SLM.</u> Highway Right of Way in the above township	May 31, 1981 123.00 acres Sanpete
SLA 133	Shell Oil Company	<u>T2S, R3W, USM.</u> Section 15: Highway Right of Way in S $\frac{1}{2}$ SW $\frac{1}{4}$, in NE $\frac{1}{4}$ SW $\frac{1}{4}$, in SE $\frac{1}{4}$ NW $\frac{1}{4}$ and W $\frac{1}{2}$ NW $\frac{1}{4}$	May 31, 1981 12.50 acres Duchesne
ML 27510	Shell Oil Company	<u>T4S, R20E, SLM.</u> Sec. 27: W $\frac{1}{2}$ Sec. 34: SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ Sec. 35: SE $\frac{1}{4}$	May 31, 1981 1040.00 acres Uintah
ML 27514	Santa Fe Energy Co.	<u>T16S, R8E, SLM.</u> Sec. 36: Lots 6, 7, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$	May 31, 1981 318.73 acres Emery
ML 27522	Texaco Inc.	<u>T31S, R1W, SLM.</u> Sec. 1: A11	May 31, 1981 884.92 acres Garfield
ML 27523	Texaco Inc.	<u>T31S, R1E, SLM.</u> Sec. 6: Lots 1-14, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$	May 31, 1981 803.90 acres Garfield
ML 27524	Texaco Inc.	<u>T29S, R1W, SLM.</u> Sec. 32: A11	May 31, 1981 640.00 acres Piute
ML 27526	Conoco Inc.	<u>T32S, R6W, SLM.</u> Sec. 2: Lots 3, 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ Sec. 16: A11 Sec. 32: Lots 1, 2, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ Sec. 36: A11	May 31, 1981 2336.07 acres Iron
ML 27527	Conoco Inc.	<u>T35S, R6W, SLM.</u> Sec. 36: A11	May 31, 1981 640.00 acres Garfield

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EXPIRATION OF OIL, GAS AND HYDROCARBON LEASES CONTINUED

The Oil, Gas, and Hydrocarbon Leases listed below have expired. Upon recommendation of Mr. Prince, the Director approved the termination of these leases and offering the lands for lease by simultaneous bid.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>Expiration Date</u>
ML 27528	Conoco Inc.	T36S, R5W, SLM. Sec. 2: Lots 1, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ Sec. 14: SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 15: S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 21: N $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$	May 31, 1981 957.07 acres Garfield
ML 27529	Conoco Inc.	T36S, R6W, SLM. Sec. 2: A11 Sec. 16: N $\frac{1}{2}$ NW $\frac{1}{4}$	May 31, 1981 717.72 acres Garfield
ML 27530	Texoma Production Co.	T18S, R24E, SLM. Sec. 2: Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$	May 31, 1981 439.88 acres Grand
ML 27531	Texoma Production Co.	T18S, R25E, SLM. Sec. 2: A11	May 31, 1981 639.76 acres Grand
ML 27532-A	Gulf Oil Corp. et al	T19S, R20E, SLM. Sec. 21: N $\frac{1}{2}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$	May 31, 1981 400.00 acres Grand
ML 27541	Conoco Inc.	T33S, R7W, SLM. Sec. 2: Lots 1, 2, 3, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 12: E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$	May 31, 1981 441.69 acres Iron
ML 27542	Northwest Exploration Company	T35S, R6W, SLM. Sec. 2: A11	May 31, 1981 636.81 acres Garfield
ML 27543	Sun Oil Company	T35S, R7W, SLM. Sec. 2: A11	May 31, 1981 644.46 acres Garfield
ML 27545	Sun Oil Company	T38S, R6W, SLM. Sec. 3: Lot 1. S $\frac{1}{2}$ SE $\frac{1}{4}$	May 31, 1981 119.51 acres Kane
ML 27548	Skyline Oil Company	T28S, R13E, SLM. Sec. 16: A11	May 31, 1981 640.00 acres Wayne
ML 27549	Skyline Oil Company	T28S, R13E, SLM. Sec. 32: A11	May 31, 1981 640.00 acres Wayne
ML 27551	Sun Oil Company	T2N, R6E, SLM. Sec. 20: E $\frac{1}{2}$ E $\frac{1}{2}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 30: A11	May 31, 1981 959.92 acres Summit
ML 27553	James C. Goodwin	T14S, R9E, SLM. Sec. 32: E $\frac{1}{2}$	May 31, 1981 320.00 acres Carbon
ML 27553-A	American Quasar Pet. Company of N.M. et al	T14S, R9E, SLM. Sec. 36: N $\frac{1}{2}$	May 31, 1981 320.00 acres Carbon

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APPROVAL OF THE OIL CANYON UNIT

This office has received evidence that the Oil Canyon Unit was approved by the United States Geological Survey on May 21, 1981. The records of the following leases should be noted to show this approval:

ML 21718	Exxon Corporation - 62.5%
	Natural Gas Corporation of California - 37.5%
ML 21719	Natural Gas Corporation of California - 37.5%
	Mono Power Company - 37.5%
	Chorney Oil Company - 25%
ML 21720	Natural Gas Corporation of California - 37.5%
	Mono Power Company - 37.5%
	Chorney Oil Company - 25%
ML 21721	Exxon Corporation - 62.5%
	Natural Gas Corporation of California - 37.5%
ML 22324	Exxon Corporation - 62.5%
	Natural Gas Corporation of California - 37.5%

APPROVAL OF THE TRAIL CANYON UNIT

This office has received evidence that the Trail Canyon Unit was approved by the United States Geological Survey on May 20, 1981. The records of the following leases should be noted to show this approval.

ML 27699	Chevron USA., Inc.
ML 27700	Chevron USA., Inc.
ML 27772	Chevron USA., Inc.
ML 28093	Santa Fe Energy Company
ML 28094	Santa Fe Energy Company et al

TERMINATION OF THE BEAVER RIVER UNIT

Cominco American Inc., operator of the Beaver River Unit, has furnished this office with evidence that this unit was terminated by the United States Geological Survey effective January 14, 1981. The records of the following oil, gas, and hydrocarbon leases should be noted to show this termination.

ML 28854	Pan Canadian Petroleum Company, et al
ML 29420	Pan Canadian Petroleum Company, et al

The term of ML 28854 will be extended to January 14, 1983, by the termination of this unit. The term of ML 29420 is not effected by the termination of this unit. Upon recommendation of Mr. Bonner, the Director approved the termination of this Unit.

TERMINATION OF THE YUBA LAKE UNIT

Placid Oil Company, operator of the Yuba Lake Unit, has furnished this office with evidence that this unit was terminated by the United States Geological Survey effective February 13, 1981. The records of the following oil, gas, and hydrocarbon leases should be noted to show this termination.

ML 27054	Mobil Oil Corporation
ML 28844	Williams Exploration Company & Hematite Petroleum (USA) Inc.
ML 29207	Williams Exploration Company & Hematite Petroleum (USA) Inc.
ML 29207-A	Placid Oil Company

The terms of all of these leases will be extended to February 13, 1983. Upon recommendation of Mr. Bonner, the Director approved the termination of this Unit.

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TERMINATION OF THE MOCCASIN TRAIL UNIT

Natural Gas Corporation of California, operator of the Moccasin Trail Unit has furnished this office with evidence that this unit was terminated by the United States Geological Survey effective March 10, 1981.

The records of the following oil, gas, and hydrocarbon leases should be noted to show the termination of this unit.

- ML 26786 Pacific Transmission Supply Company, et al.
- ML 26849 Pacific Transmission Supply Company, et al.
- ML 26860 Pacific Transmission Supply Company, et al.
- ML 26924 Pacific Transmission Supply Company, et al.
- ML 27435 CIG Exploration Inc.
- ML 29749 Gulf Oil Corporation & The Dow Chemical Company

The term of ML 29749 is not effected by the termination of this unit. The terms of ML 26786, ML 26849, ML 26860, ML 26924, and ML 27435 will be extended to March 10, 1983, by the termination of this unit.

REQUEST FOR APPROVAL OF THE WHITE RIVER COMMUNITIZATION AGREEMENT #4
for Lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ of Section 31, Township 8 South, Range 22 East, Salt Lake Base and Meridian.

Conoco Inc., operator of the drilling unit comprising Lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ of Section 31, Township 8 South, Range 22 East, Salt Lake Base and Meridian, containing 319.35 acres, more or less, has submitted a request for approval of a communitization agreement covering this land. This agreement correctly shows the interest of the State of Utah in this land. The State of Utah has one lease in this area which is ML 28048 containing 239.55 acres or 75.01 percent of the communitization area with Natural Gas Corporation of California as lessee.

This agreement is in order, and upon recommendation of Mr. Bonner, the Director approved this Communitization Agreement.

SURFACE BUSINESS MATTERS

RIGHT OF WAY APPLICATIONS

RIGHT OF ENTRY NO. 2153

C.G.G., Michael J. Vandenberg, Permit Agent, Crew 22, c/o Air View Texaco, 2175 West North Temple, Salt Lake City, Utah 84116 on behalf of Cities Services Company requests permission to conduct a seismic survey, subsurface method across the following State lands:

- Township 1 South, Range 5 West, SLB&M - Line 4
Sections 33,34: Tooele County
- Township 2 South, Range 5 West, SLB&M
Sections 2,1: Tooele County
- Township 2 South, Range 4 West, SLB&M
Section 6: Tooele County
- Township 1 South, Range 5 West, SLB&M - Line 5
Sections 12,1: Tooele County
- Township 1 South, Range 4 West, SLB&M
Sections 7,18,17,20,28,33,34: Tooele County
- Township 1 South, Range 5 West, SLB&M - Line 6
Sections 8,9,10,11,12: Tooele County
- Township 1 South, Range 4 West, SLB&M
Sections 7,8,9: Tooele County
- Township 1 North, Range 6 West, SLB&M - Line 7
Section 24: Tooele County
- Township 1 North, Range 5 West, SLB&M
Sections 19,20,21,24,27

The fee for a seismic survey - subsurface type is \$50.00 per mile @22.5 miles equaling \$1,125.00 plus a \$20.00 application fee totaling \$1145.00; school fund. Upon recommendation of Mr. Higgins, the Director approved this Right of Entry with an August 1, 1981 expiration date.

RIGHT OF ENTRY NO. 2154

This office is in receipt of a request from Shell Oil Company, C. A. Carney, Permit Agent, P.O. Box 326, Sandy, Utah 84070 for permission to conduct a seismic survey - shothole method involving the following State land:

- Township 15 South, Range 1 East, SLB&M
Section 32: N $\frac{1}{2}$ Juab County
- Township 14 South, Range 1 East, SLB&M
Section 36: W $\frac{1}{2}$ Juab County

The fee for a seismic survey - shothole method is \$20.00/hole @4 holes equaling \$80.00, plus the \$20.00 application fee totaling \$100.00; school fund. Upon recommendation of Mr. Higgins, the Director approved this Right of Entry with an August 1, 1981 expiration date.

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RIGHT OF WAY APPLICATIONS

RIGHT OF ENTRY NO. 2149

RAM

Sefel Geophysical, Roadway Inn #107, 690 South Main, Richfield, Utah 84701 has submitted an application for a seismic survey (primacord) 1 mile @ \$100.00/mile across the following described State Land:

Township 26 South, Range 1 West
Section 2: NW 1/4

The initial payment is \$100.00 plus a \$20.00 application fee, totaling \$120.00. School fund. The expiration date is September 1, 1981. Upon recommendation of Mr. Brown, the Director approved this Right of Entry.

RIGHT OF ENTRY NO. 2150

RAM

Sefel Geophysical, Roadway Inn #107, 690 South Main, Richfield, Utah 84701 Attention: Linda Benedict Totten, has submitted an application for a seismic survey (primacord) 2 miles at @ \$100.00/mile across the following described State Land:

Township 19 South, Range 3 West
Section 2, 36

The initial payment is \$200.00 plus a \$20.00 application fee, totaling \$220.00. School fund. The expiration date is September 1, 1981. Upon recommendation of Mr. Brown, the Director approved this Right of Entry.

RIGHT OF ENTRY NO. 2151

RAM

Western Geophysical Co., P.O. Box 1186, Fillmore, Utah 84631, Attention: David Baule, has submitted an application for a seismic survey (vibroiseis) 4.5 miles @ \$50.00/mile across the following described State Land in Millard County, Utah:

Township 22 South, Range 7 West
Section 36
Township 22 South, Range 6 West
Section 16
Township 21 South, Range 7 West
Section 36
Township 21 South, Range 6 West
Section 32
Section 36: SE 1/4

The initial payment is \$225.00, plus a \$20.00 application fee totaling \$245.00. School fund. The expiration date is October 1, 1981. Upon recommendation of Mr. Brown, the Director approved this Right of Entry.

RIGHT OF ENTRY NO. 2152

PEP

Seis-Port Explorations Inc., 30 West Main, Salina, UT 84654 has submitted an application for a seismic survey for a surface charge .2689/100 of a mile long by helicopter to get into the area across the following State lands described in Emery County:

T18S, R16E, SLB&M
Section 16: NE 1/4

Emery County

The initial payment is \$26.89, plus \$20.00 application fee, for a total of \$46.89. School fund. The expiration date is July 30, 1981. Upon recommendation of Mr. Pratt, the Director approved this Right of Entry.

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JUNE 8, 1981

GRAZING PERMIT REINSTATEMENT

MMW

GP 20166

The grazing permit held by Wintch Livestock Co., Manti, Utah 84642 is to be reinstated as it was inadvertently canceled in a grazing permit consolidation February 9, 1981 when Grazing Permit 20116 was transposed and interpreted as Grazing Permit 20166.

Upon recommendation of Mr. Wall, the Director approved this Grazing Permit reinstatement.

GRAZING PERMIT CONSOLIDATION

MMW

GP 20116

The grazing permit is to be cancelled and combined into Grazing Permit 20644 held by Tom Theos, P. O. Box 477, Meeker, CO 81641. The grazing permit 20116 was to have been cancelled and included in Grazing Permit 20644 in the February 9, 1981 Director's Agenda minutes; However, due to the transposing of numbers Grazing Permit 20166 was inadvertently listed and could have been possibly included in Grazing Permit 20644. If so this correction needs to be made on the books and in the plats. Please refer to Director's Agenda minutes February 9, 1981.

Upon recommendation of Mr. Wall, the Director approved this cancellation and consolidation.

Grazing Permit Addition

RGW

GP 21229

Kenneth Goulding Sr., Box 243, Henrieville, Utah, 84736, has requested the addition of the following described State land into GP 21229:

Township 39 South, Range 1 West, SLB&M
Section 32: All Kane County
Township 40 South, Range 1 West, SLB&M
Section 32: E 1/2 Kane County

The fee for this addition of 960 acres will be 8¢ per acre for a total of \$76.80. School Fund. Upon recommendation of Mr. Wilcox, the Director approved this Grazing Permit addition.

GRAZING PERMIT ADDITION

RAM

GP # 21624

Mr. Joseph T. Finlinson, Leamington, Utah 84638, has requested that the following land be added to his existing GP # 21624:

Township 16 South, Range 4 West
Section 2: E1/2 NE1/4 80 acres Millard County

This additional 80 acres will require a fee of \$40.00 @ .50 cents/acre. Total acres for this lease will now be 120 acres. Upon recommendation of Mr. Brown, the Director approved this Grazing Permit addition.

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GRAZING PERMIT APPLICATION *QPR*

Upon recommendation of Mr. Pratt, the Director approved this Grazing Permit application.

GP # 21619
Fred A. Swalberg, P.O. Box 67, Marysville, Utah 84750

480.00 acres .10 cents per acre per annum 10 years Piute County
January 1, 1981 Beginning Date Fund School Fee \$48.00 Total \$58.00

Township 28 South, Range 3 West SLB&M
Section 16: W 1/2, W 1/2 E 1/2

GRAZING PERMIT ASSIGNMENT *QPR*

GP 21150
Donald W. Holyoak, LaSal Route, Moab, UT 84532 has submitted an assignment of this grazing permit to White Ranches, Inc., Spanish Valley, Moab, UT 84532. Upon recommendation of Mr. Pratt, the Director approved this grazing permit assignment.

MINERAL LEASES TO BE CANCELLED *QPR*

The following leases are to be cancelled due to non-payment of 1981 rental. Certified notices were mailed. Upon recommendation of Mr. Miller, the Director approved the termination of these mineral leases and offering the lands for lease by simultaneous bid.

NAME	ACCOUNT NO.	TYPE
Edward M. Hewitt et al	ML 25193	Met.
Rockwell One	ML 29436	Met.
Ferta-Lawn	ML 29443	Met.
American Quasar Pet. Co. of NM	ML 30211	OG&H
Roy G. Wiley	ML 30286	Clay
Thomas M. Reed	ML 30304-F	OS
Ranchers Expl. & Development	ML 30397	Met.
Ranchers Expl. & Development	ML 30398	Met.
Ranchers Expl. & Development	ML 30399	Met.
Ranchers Expl. & Development	ML 30400	Met.
Rio Blanco Contractors Inc. et al	ML 33864	Sand & Gravel
Ferno L. Dubray	ML 35567	Met.
Getty Reserve Oil Inc.	ML 32585	Met.
Getty Reserve Oil Inc.	ML 32586	Met.
Getty Reserve Oil Inc.	ML 32587	Met.
Getty Reserve Oil Inc.	ML 32588	Met.
Richard A. Peterson	ML 37701	Met.
Richard A. Peterson	ML 37702	Met.
Richard A. Peterson	ML 37703	Met.
Richard A. Peterson	ML 37704	Met.
John R. Anderson	ML 37742	OG&H
Diane Katz	ML 37883	Geothermal

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INTEREST RATES

PM

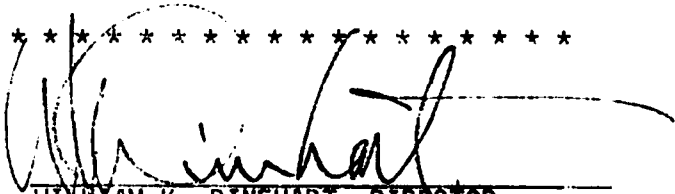
Prime Rate
Federal Funds
Discount Rate


CURRENT

20.00
9.50
13.00

YEAR AGO

15.57
7.40
12.00


WILLIAM K. DINEHART, DIRECTOR
DIVISION OF STATE LANDS


VERNA A. PETERSEN, RECORDS SUPERVISOR

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